

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL	
SECTION 7-07 – Gifts & Benefits	GB-HRPP-7-07 Revision : 2 DATE : 1 August 2020 PAGE : 1 of 10

1.0 Purpose

This policy provides guidance on how to recognize and deal with the different forms of gifts and benefits which may lead to bribery and corruption issues.

It aims to protect those involved by clarifying what forms of gifting is permissible and what is not, to avoid any conflict of interest and to ensure that we treat all people and organisations with whom we come into contact or conduct business, impartially.

2.0 Scope

2.1 This policy is applicable to all employees and directors of Gamuda Group.

2.2 It shall be read together with the Group's Anti-Bribery and Corruption Policy and be reviewed and amended whenever necessary to ensure its effective implementation.

3.0 Policy

3.1 No Gift Policy

- i. As a general rule, employees are **NOT** allowed whether directly and indirectly, from receiving or providing any gifts to avoid conflict of interest or the appearance of conflict of interest.
- ii. Employees are required to inform their business associates involved in any business dealings that the Group practices a "No Gift Policy" and to request the external party's understanding for the adherence to this policy using the prescribed form of letter as per Appendix I.
- iii. However, in circumstances where refusing such gifts may be construed as rude and inappropriate or contrary to local customary practice, the employee may accept such gifts and shall
 - a. Declare the gifts to the HOD (refer to Gift Form- GF-1).

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- b. Submit the approved form to respective Human Resource and Admin Division/site HR for record purposes.
- c. Thank the gift giver but inform them tactfully that the gift will be donated to charity to avoid any conflict of interest. Tactfully remind them not to send any more gifts in future (refer to Appendix 1).
- iv. Acceptance of the gift is allowed in the following cases:
 - a. it is offered in generic business functions to all participants and attendees (i.e. seminars, conferences);
 - b. ceremonial gift from another organization on behalf of the company. Ceremonial gifts belong to the company and should be declared to the HOD;
 - c. invitation to speak at fee-charging conferences in exchange for complimentary conference seats for self or colleagues, provided that clearance has been obtained from the relevant HOD.

3.2 The following are identified methods or forms of gifts and benefits which may lead to bribery & corruption:

- i. Facilitation Payments and Kickbacks;
- ii. Recruitment, Promotion and Support of Employees;
- iii. Entertainment and Corporate Hospitality;
- iv. Corporate Social Responsibility; and
- v. Sponsorship, donations and political contributions.

3.2.1 Facilitation Payments and Kickbacks

- i. The Group adopts a strict policy of disallowing the use of facilitation payments in its business. Facilitation payment is a payment made to any official to expedite an administrative process. “Kickback” means any illegal payment, such as money, a gift, credit, or anything of value, as compensation for favorable treatment or other improper services which can take the form of a percentage of income given to a person in a position of power or influence as payment for having made the income possible.

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- ii. Employees shall decline to make the payment and report to the Integrity and Governance Unit (IGU) immediately when they encounter any requests for a facilitation payment. In addition, if a payment has been made and the employee is unsure of the nature, the Chief Integrity and Governance Officer (CIGO) must be notified immediately, and the payment recorded accordingly.
- iii. Only in the event that an employee's security is at stake is it permitted to make the payment. The employee must immediately report the incident to their HOD and IGU to record the details, keep a record of what was spent and take the appropriate reporting action.

3.2.2 Recruitment, Promotions and Support of employees

- i. The Group recognises the value of integrity in its employees and business associates. The Group's recruitment, training, performance evaluation, remuneration, recognition and promotion for the Group's employees, including management, shall be designed and regularly updated to recognize integrity.
- ii. The Group does not offer employment to prospective employees in return for their having improperly favored the Group in a previous role.

3.2.3 Entertainment and Corporate Hospitality

- i. Employees and directors are strictly prohibited from providing or offering to provide entertainment and corporate hospitality with a view to improperly cause undue influence on any party in exchange for some future benefit or result for the Group or himself.
- ii. However, the Group recognizes that providing modest entertainment and corporate hospitality and occasional acceptance of a reasonable and modest level of entertainment and corporate hospitality provided by business associates in the normal course of business is a legitimate way to network and build good business relationships.

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- iii. As such, eligible employees are required to maintain expenses within the limits of his/her entitlement, when carrying out entertainment activities.
- iv. While providing corporate hospitality, employees must exercise proper care to protect the Group's reputation against any allegations of impropriety or the perception of bribery & corruption especially when the arrangements could influence or be perceived to influence the outcome of a business decision and are not reasonable and bona fide expenditures.
- v. Employees must ensure that corporate hospitality accepted from a business associate is legitimate, modest and not lavish, excessive or extraordinary in nature.
- vi. All expenses incurred to provide entertainment and corporate hospitality must be properly documented through the claims process, receipted and maintained in the Group's records.

3.2.4 Corporate Social Responsibility

- i. Given the nature of our business, the Group is often asked by governments to contribute to social investment activities in the countries where the Group has operations.
- ii. As part of our commitment to corporate social responsibility and sustainable development, as a general matter, the Group provides such assistance in appropriate circumstances and in an appropriate manner. However, such requests must be carefully examined for legitimacy and not be made to improperly influence a business outcome.
- iii. The proposed recipient must be a legitimate organisation and appropriate due diligence must be conducted by the HOD concerned, in particular to ascertain whether any public officials are affiliated with the organisation.

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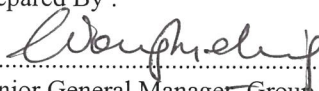



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- iv. Any red flags must be resolved before committing any funds to the programme. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients. If in any doubt as to whether a charitable contribution or social benefit is appropriate, the Legal Department or the Group Corporate Communication (GCC) shall be consulted for assistance.

3.2.5 Sponsorship, Donation & Political Contributions



- i. As set out in the Group’s Code of Business Ethics (CoBE), employees must ensure that all sponsorships and donations are not used as a subterfuge for bribery or used to circumvent or avoid any of the provisions of the CoBE, including in particular, the prohibition on bribery & corruption.
- ii. The Group needs to be certain that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials/public officials, and must ensure that the charity does not act as a conduit to fund illegal activities in violation of international anti-money laundering, anti-terrorism and other applicable laws.
- iii. In accordance with the Group’s commitment to contribute to the community coupled with its values of integrity and transparency, all sponsorships and donations must comply with the following:
 - a. ensure such contributions are allowed by applicable laws;
 - b. obtain all the necessary internal and external authorisations;
 - c. be made to well established entities having an adequate organisational structure to guarantee proper administration of the funds;
 - d. be accurately stated in the Group’s accounting books and records;
 - e. not to be used as a means to cover up an undue payment or bribery;

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Examples of red flags to look out for are as follows:

- a. The proposed recipient /organisation has affiliations with a public official or their relatives or associates are involved;
 - b. The contribution is made on behalf of a public official;
 - c. There is a risk of a perceived improper advantage for the Group; and
 - d. The proposed recipient is based in a high-risk country, the request comes from a high-risk country or the activity takes place in a high-risk country.
- iv. The Group requires Employees to use good judgment and common sense in assessing the requests. When in doubt, Employees should seek further clarification from the respective Head of Business and/or IGU.
 - v. If any contribution is made, it must be permissible under applicable laws and must not be made with any promise or expectation of favorable treatment in return and must be accurately reflected in the Group's books and records. The authority to approve such contributions is with the Group MD or the Board of Directors.
 - vi. Good faith payments to a government entity such as payments to the host country's federal treasury required by contract or law, are not prohibited, so long as they are made with due care to the government entity and not to any individual official.
 - vii. The Group encourages Employees to participate in the political election process by voting. Employees may choose to make personal political contributions as appropriate within the limits established by law. Under no circumstances, however, will any Employee be compensated or reimbursed in any way by the Group for a personal political contribution.

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- viii. As set out in the CoBE, Employees are prohibited from executing the following:
 - a. using their position within the Group to try to influence any other person (whether or not employed by the Group) to make political contributions or to support politicians or their parties in any country;
 - b. make any contribution or incur any expenditure using the Group resources to benefit any political campaign, party or politician in any country;
 - c. the use of the Group facilities, equipment and resources for any political campaign or party functions.
- ix. Charitable donations may not be used as a subterfuge for prohibited political payments.
- x. Notwithstanding the foregoing, it is the Group’s policy to engage and communicate its views and position on issues of public interest that have an important impact on the Group.
- xi. Employees must comply with local laws concerning lobbying jurisdictions, wherein the Group must conduct themselves in a manner which is in accordance with local laws and consistent with the values and principles of the CoBE.

4.0 **Procedures**

- 4.1 In all cases mentioned above, employee that wishes to obtain permission from exemption would need to apply in writing (Gift form - GF-1) to their HOD. The approved form should be forwarded to Human Resource Department for record purposes.
- 4.2 If employees have any queries or doubt on matters relating to this policy, he/she can seek clarification from the following parties:
 - i. Human Resource Department
 - ii. Integrity & Governance Unit (IGU)
 - iii. Group Corporate Communications (GCC)
 - iv. Group Legal Department

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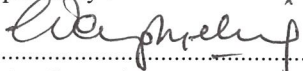
4.3 Duty to raise a malpractice or misconduct

- i. All employees are encouraged to raise concerns about any issues or suspicion of malpractice at the earliest possible stage or if he/she believes or suspects that a conflict with this policy has occurred, or may occur in the future.
- ii. Concerns should be reported by following the procedures set in the whistleblowing policy (GB-IGU-MAN-002).
- iii. In the event of doubt, always consult your HOD and/or IGU for clarification and advice.

4.4 Protection to Whistleblowers

- i. Gamuda's employees who have refused to accept or offer a bribe, or those who wish to raise concerns or report another's wrongdoing may sometimes be worried about possible repercussions.
- ii. Gamuda aims to encourage openness and will support anyone who raises genuine concerns in good faith under the whistleblowing policy, even if they turn out to be mistaken.
- iii. Gamuda is committed to ensure no one suffers any reprisal as a result of refusing to take part in bribery or corruption, or for **reporting in good faith** their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.
- iv. Reprisal includes disciplinary measures, demotion, suspension, termination of employment or service or any other retaliatory action.
- v. If any employee believe he/she has suffered any such treatment, he/she should immediately report the matter to the CIGO.

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4.5 Disciplinary Action

i. If any employee believes that he/she has been offered a bribe, or has been offered any form of gratification to unduly influence his/her decision-making, he/she should immediately:

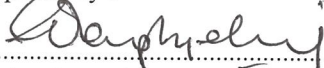
1. Reject the offer and terminate interactions with the offerer.
2. Inform his/her respective HOD, and/or IGU, who shall then determine the next course of appropriate action.

Failure to do so, may subject the Employee to disciplinary action.

5.0 Roles and Responsibilities

Role	Responsibilities
Employee	a. Read, understand and comply with this policy. b. Avoid any activity that might lead to, or suggest, a breach of this policy. c. Prevent, detect, and report bribery and other forms of corruption.
Supervisor/ Manager/HOD	a. Implement this policy, and for monitoring its use and effectiveness. b. Deal with any queries on its interpretation. d. Educate and promote awareness of this policy to employees.
Human Resource and Admin Division/site HR (where applicable)	a. Oversee adequacy and effectiveness of this policy. b. Monitor key regulatory developments and ensure alignment. c. Deal with any queries on its interpretation. c. Take disciplinary action where is a breach of this policy.
Group Internal Audit Department	a. Conduct audit from time to time. d. Ensure compliance to this policy.

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6.0 Reference

This policy cannot and is not meant to be exhaustive and is to be read in conjunction with the following:

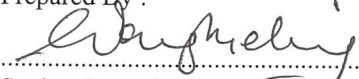

- i. Anti-Bribery and Corruption (AB&C) Policy
- ii. Code of Business Ethics (CoBE)
- iii. Whistleblowing Policy

When there is a conflict or discrepancy between this policy, Gamuda's other policies and procedures, any regulatory guidelines and any relevant local laws, the matter must be referred to the Group Human Resource for clarification and guidance.

7.0 Documentations

7.1 Appendix 1

7.2 Gift form - GF-1

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